

# MHSA Audit Overview & CSS Balance

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## Statewide MHSA Audit

- ▶ Requested by the Joint Legislative Audit Committee
- ▶ Completed by CA State Auditor
- ▶ Focused on:
  - ▶ DHCS' and MHSOAC's oversight of MHSA funding
  - ▶ Alameda, Riverside, SD counties' monitoring of MHSA projects

## Statewide Audit Findings

- ▶ DHCS has not provided effective direction to local mental health agencies on how to spend MHPA funds
  - ▶ Enforce reversion
  - ▶ Provide guidance on how counties handle interest and how much to hold in reserves
- ▶ DHCS inadequately oversees MHPA funds
  - ▶ Enforce RER deadlines
  - ▶ Audits focus on outdated data/processes

## Statewide Audit Findings con't

- ▶ MHPSOAC should:
  - ▶ develop guidance on the Innovation program approval process
  - ▶ complete an internal process for reviewing reports to ensure data is reliable and timely
  - ▶ develop metrics to evaluate the outcome of the triage grants on a statewide level

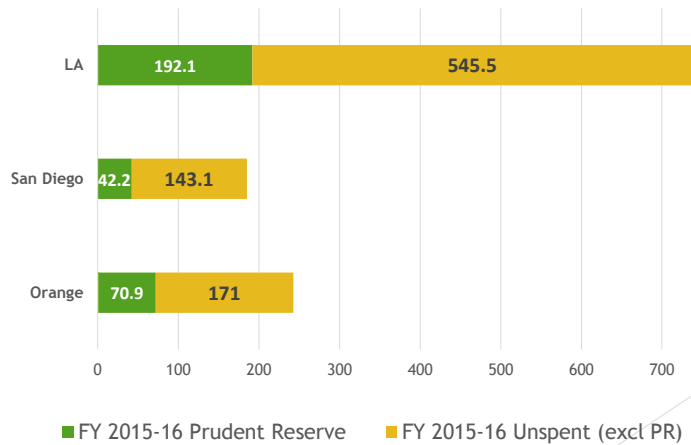
## County Impact of State Audit

- ▶ No major findings for three counties in the State Audit
- ▶ No fiscal impact – no MHSA funds returned/received by the three participating counties as a result of the audit

## OC Impact of State Audit

- ▶ OC only mentioned in Appendix
- ▶ Had 2<sup>nd</sup> largest unspent balance
- ▶ OC receives the 2<sup>nd</sup> largest MHSA allocation:
  - ▶ LA: 28.56%
  - ▶ OC: 8.255%
  - ▶ SD: 8.17%

## MHSA Fund Balances in Audit (from posted FY 2015-16 Plans)



## Reverted MHSA Funds

- ▶ AB 114 addresses the fact that 57 of 59 local MH agencies reverted MHSA funds received through FY 2013-14
  - ▶ *Information on FY 2014-15 not available*

## OC Reverted Funds

- ▶ OC has not reverted any CSS funds
- ▶ OC has not reverted any PEI funds received after FY 2010-11
- ▶ OC has not reverted INN funds received after FY 2014-15
  - ▶ None reverted in FYs 2011-12 through 2013-14
- ▶ Per AB 114, DHCS recently clarified that initial CFTN allocation funds not spent by FY 2016-17 are reverted

## OC Plans for AB 114 Funds

- ▶ Approved by Steering Committee and posted in FY 2018-19 MHSA Plan Update:
  - ▶ PEI: Spend on existing PEI programs in FY 2018-19
  - ▶ INN: Spend on existing and new, if any, projects (through FY 2019-20)
  - ▶ Reverted funds identified in AB 114 are included in current fund balances and are NOT additional funds
- ▶ PEI and INN subcommittees will begin CPPs on how to spend remaining fund balances

## OC Plans for AB 114 Funds

- ▶ New Proposal:
  - ▶ CFTN: Spend identified reverted funds in FY 2018-19 on planned upgrades



## OC Plans AB 114 CFTN Plan

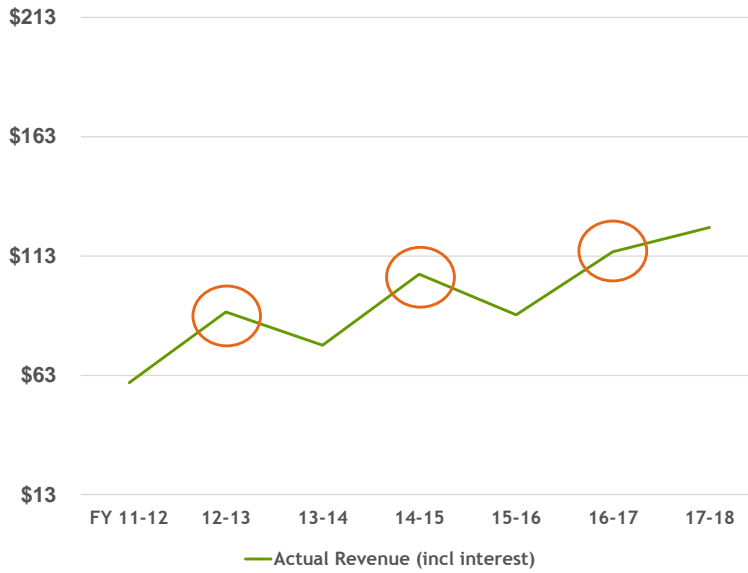
### **ACTION ITEMS:**

1. Approve Orange County to spend reverted CFTN funds, per AB 114, in FY 2018-19 on planned EHR upgrades
2. Transfer \$2.1 million from CSS to CFTN in FY 2017-18 to cover planned EHR upgrades

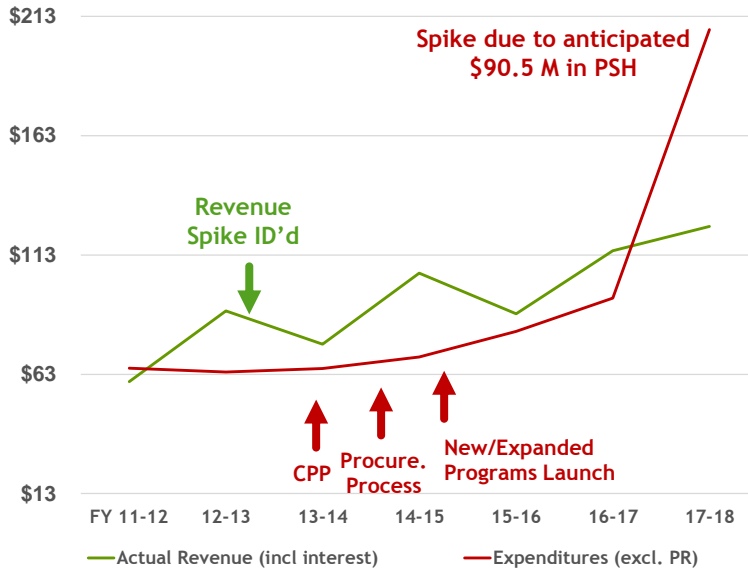
## OC MHSA Revenue & Expenditures

Anthony Le  
MHSA Fiscal Manager

## CSS Revenue

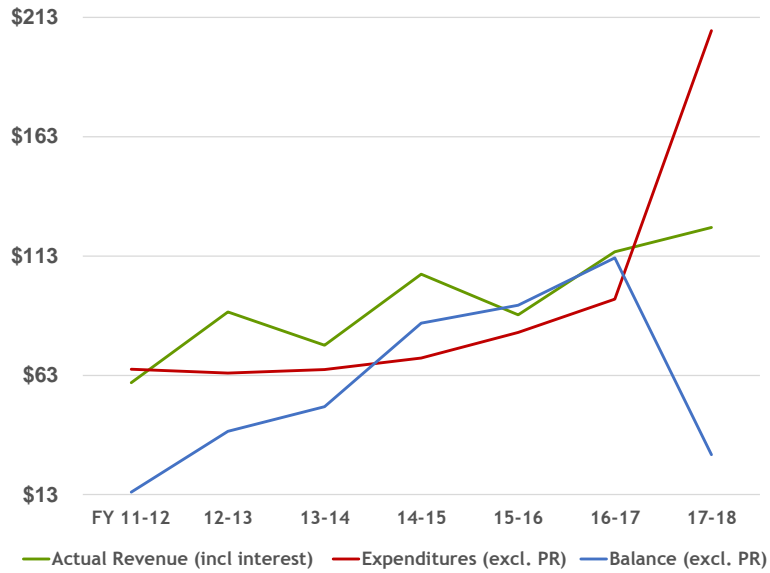


## CSS Revenue & Expenditures

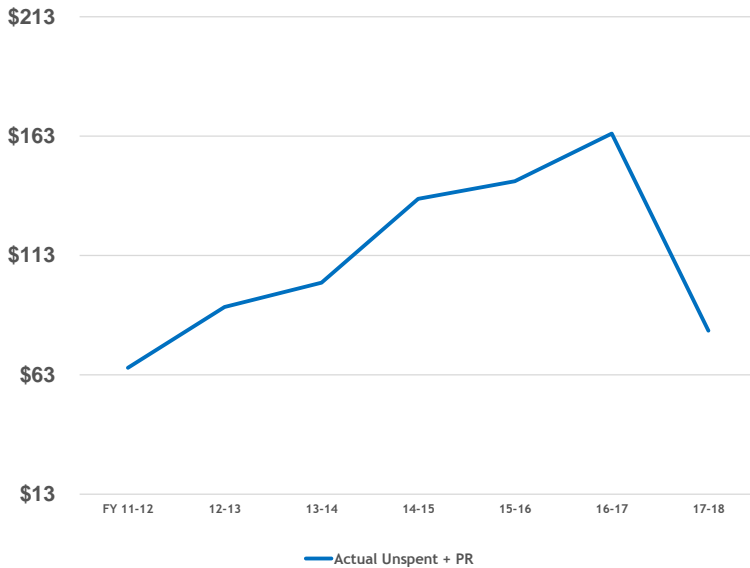




## CSS Revenue, Expenditures & Balances



## Actual CSS Fund Balance with PR



## Actual CSS Unspent vs Recommended

